

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7218
BILL NUMBER: SB 505

NOTE PREPARED: Feb 13, 2009
BILL AMENDED: Feb 12, 2009

SUBJECT: Trustee Duties Concerning Life Insurance.

FIRST AUTHOR: Sen. Zakas
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) This bill provides that unless a trust document provides otherwise, a trustee does not have the following duties under the Indiana Uniform Prudent Investor Act with respect to the acquisition or retention of any contract of life insurance: (1) a duty to determine whether a contract of insurance is or remains a proper investment; (2) a duty to exercise policy options, including investment options, available under a contract of insurance; or (3) a duty to diversify if a contract of insurance is the sole or a major asset of a trust.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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